

**STATE OF UTAH**  
**DEPARTMENT OF NATURAL RESOURCES**  
**DIVISION OF OIL, GAS AND MINING**  
1594 West North Temple Suite 1210  
PO Box 145801  
Salt Lake City, Utah 84114-5801  
Telephone: (801) 538-5291  
Fax: (801) 359-3940

**ANNUAL REPORT OF MINING OPERATIONS**

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must file an annual operations and progress report (FORM MR-AR) with the Division.

**I. General Information**

1. Report Time Period: From (mo./yr.) Jan / 2006 To (mo./yr.) Dec / 2006
2. DOGM File Number (Mine No.): M / 023 / 003
3. Mine Name: Topaz Mining Property
4. Mineral(s) Mined: (or permitted to mine): Beryllium (bertrandite)
5. Type of mine ☒ Surface Mine or ☐ Underground Mine
6. Legal Description (Location of Lands Affected): Please see attached description  
      1/4,    1/4,    1/4,    Section    , Township    , Range      
      1/4,    1/4,    1/4,    Section    , Township    , Range      
      1/4,    1/4,    1/4,    Section    , Township    , Range
7. Name of Operator or Company: Brush Resources Inc.
8. Permanent Street Address: P.O. Box 815  
City, State, Zip:    Delta, Utah 84624  
Phone: (435) 864-2701    Fax: (435) 864-4004    E-mail: john\_wagner@brushresources.com
9. Company Representative (or designated operator):  
Name:    Alex Boulton  
Title:    President  
Business Address:    P.O. Box 815  
City, State, Zip:    Delta, Utah 84624  
Phone: (435) 864-2701    Fax: (435) 864-4004    E-mail: john\_wagner@brushresources.com  
☐ **Please check if any of the above information has changed since previous year.**

**II. Mining and Reclamation**

1. Was the mine active during the past year?    Yes ☒    No ☐
2. If no - what was the last year of activity? \_\_\_\_\_

*TM 5/18/07*

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3. Report the gross amount of ore mined and waste moved, as well as the arrangement, positioning, or distribution of the material. No ore mined or waste moved.  
Ore arranged in stockpiles  
Stockpiles positioned on pads within Monitor 3 project limits  
Ore distributed as shipments to mill as scheduled  
58,661 wet tons of ore delivered
4. Briefly describe the type of work performed during the past year.  
Mining on standby January through December; Fluro Phase 1 topsoil sampled  
Asset security & preservation, mine planning & equipment preparations  
There were no new or additional surface disturbances  
MRP amendment approved, reclamation contract executed
5. How much **new or additional acreage** was disturbed during the past year? None
6. How much acreage was **reclaimed** during the past year? None (at the Topaz Mine)
7. Briefly describe the reclamation work performed during the past year. This description should include methods employed, and an evaluation of the results. (Submit form MR - SITE for an application for full or partial bond/site release).  
Monitor test plots to observe drought vs wet year conditions  
Site inspection w/ Director of Natural Resources & Division staff on 6/6/06  
Site inspection w/ greater Division staff on 9/21/06  
Achieved approval of MRP amendment; sampled Fluro Phase 1 topsoil  
Collected weather data (see attached graph)
8. What is the **total disturbed acreage of entire project** at year's end? 138 Acres
9. Briefly summarize any mining and/or reclamation plans for the upcoming year.  
1. Work with Division on soil sampling & Fluro Phase 1 backfill reclamation  
2. Ship ore to the mill from the existing stockpile inventories as needed.  
3. Commence stripping & mining operations on Fluro LMU #s 1, 2, & 3  
4. Conduct site inspection w/ Division representative(s)
10. The operator shall keep and maintain timely records relating to this performance under the Act, and shall make these records available to the Division upon request.

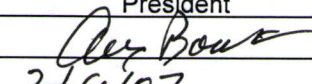
**NOTE:** Section III., "Additional Information" applies only to **large mining operations.**

III. Additional Information – R647-4-121.2 and .3

1. **The operator shall include an updated map depicting surface disturbance and reclamation performed during the year**, prepared in accordance with R647-4-105  
No new disturbances or reclamation performed

IV. Signature Requirement

**I hereby certify that the foregoing is true and correct.**

Name (Typed or Print): Alex Boulton  
 Title of Operator: President  
 Signature of Operator:   
 Date: 2/9/07

Brush Resources Inc.

Operator

Topaz Mining Properties

Mine Name

M/023/003

Permit Number

Juab

County, Utah

**Legal Description (Location of Lands Affected)**  
Refers to item 6. on page 1 of the Annual Report form

Township 12 South, Range 12 West, SLM

➤ Section 31

All

➤ Section 32

All

Township 12 South, Range 13 West, SLM

➤ Section 36

All

Township 13 South, Range 12 West, SLM

➤ Section 4

Lots 3 & 4, and the S $\frac{1}{2}$ , and the S $\frac{1}{2}$  of the NW $\frac{1}{4}$

➤ Section 5

All

➤ Section 6

All

➤ Section 7

Lots 1 – 6, and the E $\frac{1}{2}$  of the W $\frac{1}{2}$ , and the W $\frac{1}{2}$  of the E $\frac{1}{2}$ , and the NE $\frac{1}{4}$  of the NE $\frac{1}{4}$ , and the SE $\frac{1}{4}$  of the SE $\frac{1}{4}$ .

➤ Section 8

Lots 1 – 4, and the E $\frac{1}{2}$ , and the N $\frac{1}{2}$  of the NW $\frac{1}{4}$ , and the SE $\frac{1}{4}$  of the NW $\frac{1}{4}$ .

➤ Section 9

Lots 1 & 2, and the N $\frac{1}{2}$ , and the SW $\frac{1}{4}$ , and the W $\frac{1}{2}$  of the SE $\frac{1}{4}$ .

➤ Section 16

All

➤ Section 17

Lots 1 – 4, and the NE $\frac{1}{4}$  of the NE $\frac{1}{4}$ , and the S $\frac{1}{2}$  of the NE $\frac{1}{4}$ .

➤ Section 18

Lot 1, and the N $\frac{1}{2}$  of the NE $\frac{1}{4}$ , and the NE $\frac{1}{4}$  of the NW $\frac{1}{4}$ .

➤ Section 7, 8 & 18

Tract 38

Township 13 South, Range 13 West, SLM

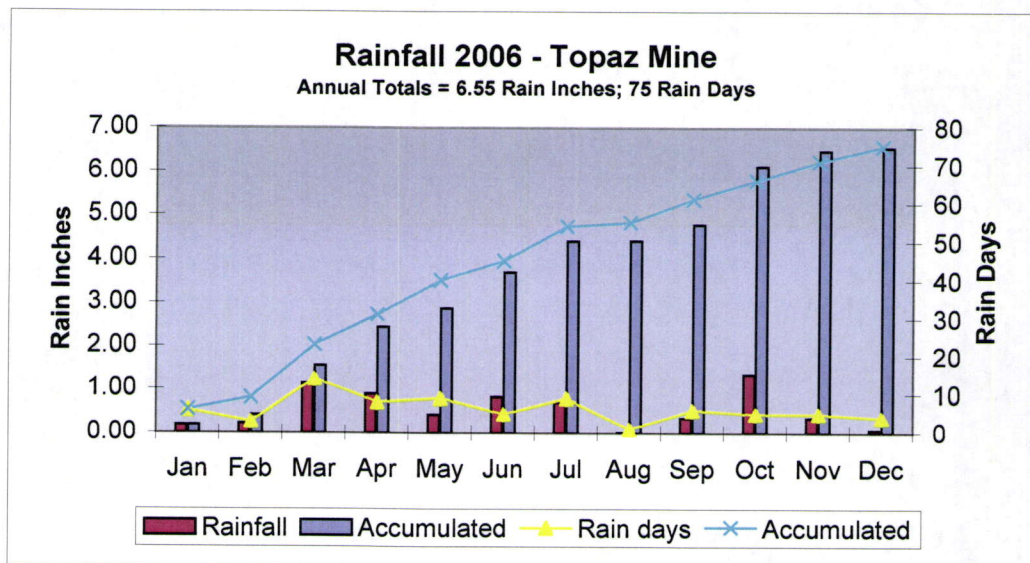
➤ Section 1

Lots 1 – 6, 8, 10, 13, S $\frac{1}{2}$  of the N $\frac{1}{2}$

➤ Section 12

Lots 1, 4, 5, 8

Month	Avg Temp	Rainfall	Accumulated	Rain days	Accumulated
Jan	36	0.19	0.19	6	6
Feb	35	0.23	0.42	3	9
Mar	41	1.13	1.55	14	23
Apr	63	0.89	2.44	8	31
May	61	0.43	2.87	9	40
Jun	61	0.83	3.70	5	45
Jul	84	0.71	4.41	9	54
Aug	79	0.01	4.42	1	55
Sep	64	0.36	4.78	6	61
Oct	44	1.34	6.12	5	66
Nov	40	0.36	6.48	5	71
Dec	31	0.07	6.55	4	75



# BRUSHRESOURCES

A Brush Engineered Materials Inc. Company

Brush Resources Inc.  
P.O. Box 815  
Delta, Utah 84624  
Tel: 435-864-2701  
Fax: 435-864-4004

February 7, 2007

Tom Munson  
Dept. of Natural Resources  
Division of Oil, Gas & Mining  
1594 West Temple, Suite 1210  
P.O. Box 145801  
Salt Lake City, Utah 84114-5801

Dear Mr. Munson:

Please find attached to this cover the following items;

1. The completed 2006 Annual Report of Mining Operations for the Topaz Mining Property
2. The legal description of the entire mine property.
3. The graph of rainfall data for 2006 as recorded on the mine site rain gauge.

Please note that the topsoil was sampled in preparation for salvage in the Phase 1 Fluro LMU 1, 2 & 3 surface areas. The soil sampling was done in October, and the lab data was received near the end of the year. BRI and its consultant, JBR, reviewed the data and used it to guide soil salvage operations for the Fluro pit area, which took place in January 2007. When the data has been fully compiled and interpreted, a report will be prepared, which will be forward to the Division for its information. BRI is also interested in getting Mr. Paul Baker's feedback on the report.

Sincerely,



Alex Boulton  
President

/jw

Cc: File

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